

## REMARKS

Claims 1-2 and 5-6 stand objected to for lack of clarity. Applicant has amended claims 1, 2, 5, and 6 to clarify that the third instances are remaining instances of the first instances.

Claims 1-4 stand rejected under 35 USC 103(a) as being unpatentable over Bowers in view of Can. Applicant has amended claims 1-3 to further distinguish over the cited references.

Both Bowers and Can are directed to RFID systems, but neither discusses electronic price label systems or integration of RFID systems with electronic price label systems. For example, all of Applicant's claims including sending of product label tag information by an electronic price label. This type of integration is not taught or suggested by the cited references.

Also, neither reference discloses the comparison of the number of sales of an item with a calculated difference in inventory to determine shrinkage, as recited in claim 2.

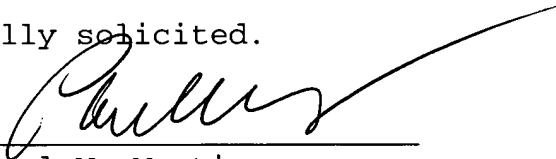
Claims 5-8 stand rejected under 35 USC 103(a) as being unpatentable over Bowers in view of Can and Sekiguchi.

While Sekiguchi might teach a price display system, Sekiguchi does not teach or suggest integration of RFID systems with electronic price label systems either.

Applicant has added new claims 9-14, which also emphasize the above-mentioned integration not taught by the cited references.

Applicant has noted the prior art made of record but not relied upon.

In view of the foregoing remarks, Applicant respectfully submits that claims 1-14 are in condition for allowance. Action to that end is hereby respectfully solicited.



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Paul W. Martin  
Attorney for Applicant  
Phone: (937) 445-2990

Dayton, OH

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